

Introducing an Australian
Gold Exploration Company

Nelson Resources Limited

November 2016

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Transaction & Summary of Fund Raising

Mongolian Resources Limited (ASX: MUB) is applying for a re-compliance listing on the ASX, the features of which have been approved by shareholders in a General Meeting including:

- ❖ Share consolidation to reduce the shares on issue to 53.08m
- ❖ Raising of pre-listing funds of up to \$700,000 (at equivalent 15c per share)
- ❖ Raising \$5 million and up to \$7.5 million at 20 cents per new ordinary fully paid share with the re-compliance listing
- ❖ Change of name to Nelson Resources Limited
- ❖ Acquisition of five Western Australian gold exploration projects
- ❖ A near term drilling program
- ❖ Cornerstone investor of \$1m
- ❖ Experienced and dynamic board and management team



A focused Gold Exploration Company

Nelson is a pure-play gold exploration company focused on Australian projects in proven gold regions in WA

- ❖ Quality exploration projects with excellent gold mineralisation and results for a near term targeted drilling program
- ❖ Projects are in proven gold producing regions
- ❖ A steady gold price environment in US\$ terms
- ❖ US\$-AU\$ exchange rate that favours Australian explorers and producers
- ❖ Long term under-investment in gold exploration
- ❖ Australia is a proven gold country with good sovereign risk
- ❖ Gold is considered an important store of value during unstable global economic and political environment as is the case now
- ❖ Gold always has a ready and liquid market



Use of Funds

Use of funds (\$m) Over 24 months	Minimum subscription (\$M)	Maximum subscription (\$M)
Project Development / Exploration	3.00	4.60
Administration	0.60	0.60
Working Capital	0.80	1.70
Costs of Issue	0.60	0.60
Total	\$5.00	\$7.50



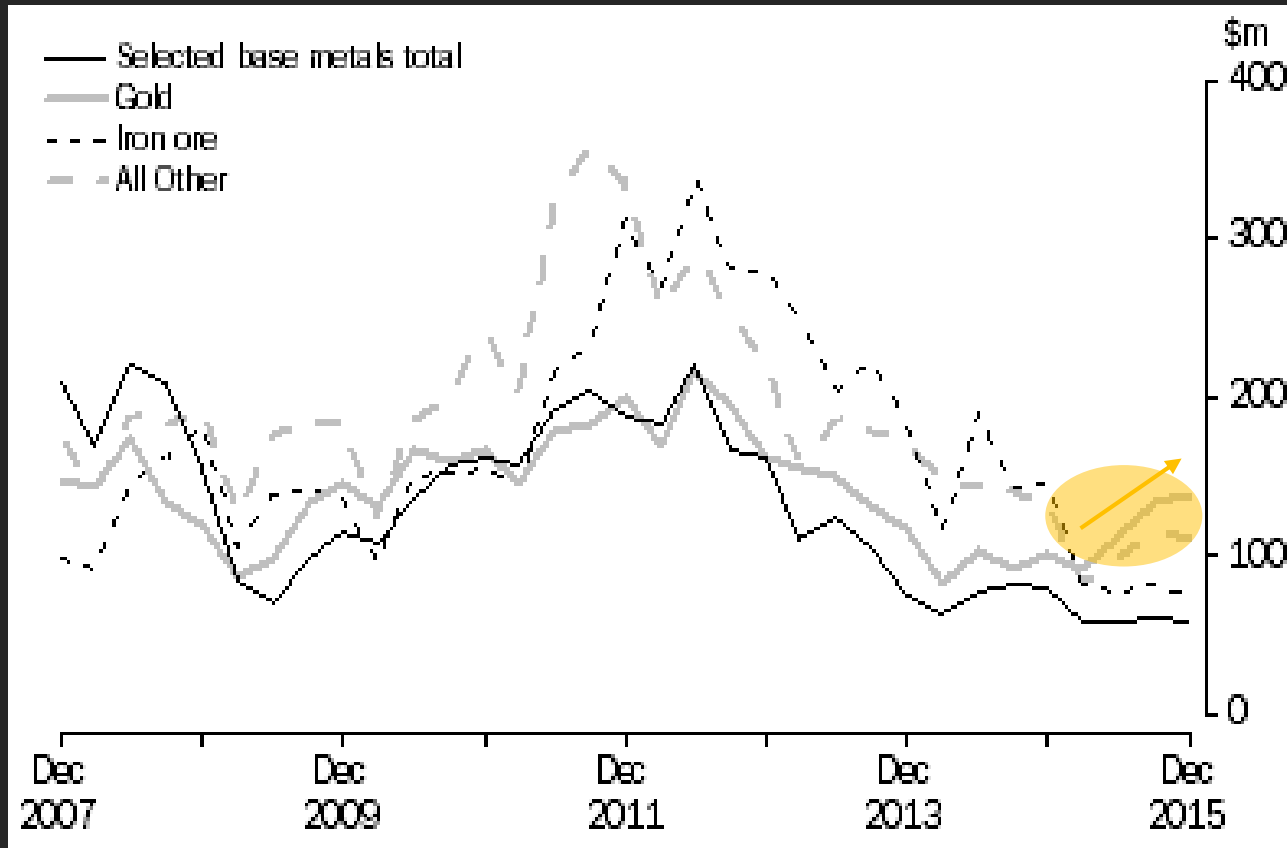
Australian Gold Sector Competitiveness

The Australian Gold Sector enjoys a number of competitive advantages that makes the country a destination for gold investors, including:

- ❖ Low Sovereign Risk
- ❖ Strong demand for promising gold exploration and production companies
- ❖ Very favourable international market for gold exploration and gold production companies
- ❖ AUD-USD exchange makes USD gold price highly attractive for Australian producers
- ❖ Falling and competitive labour and contract costs of drilling, mining and processing
- ❖ World-class exploration and mining country
- ❖ Clear and supportive mining, environmental and land rights laws, including compliance with Equator Principles



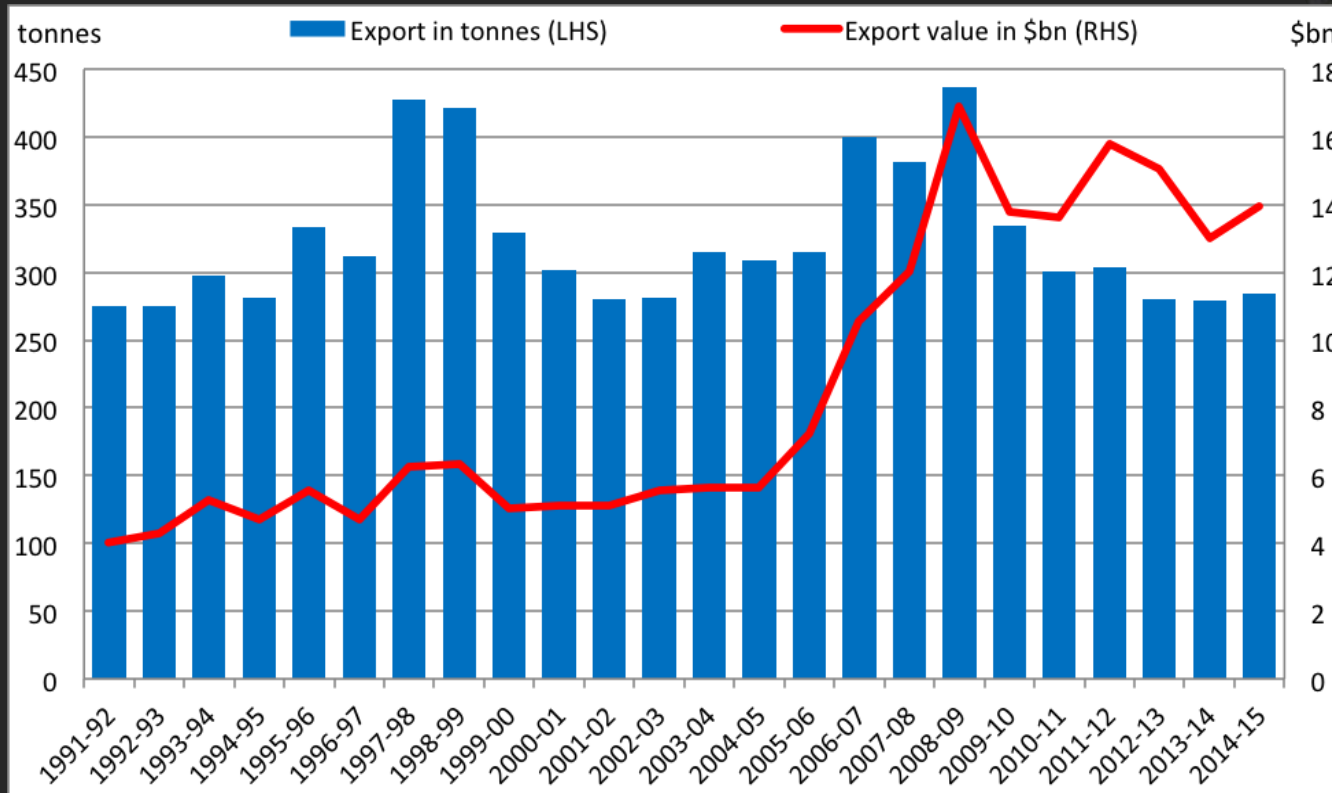
Exploration in Australia: Gold leading the way



Source: Australian Bureau of Statistics



Australian Gold Exports

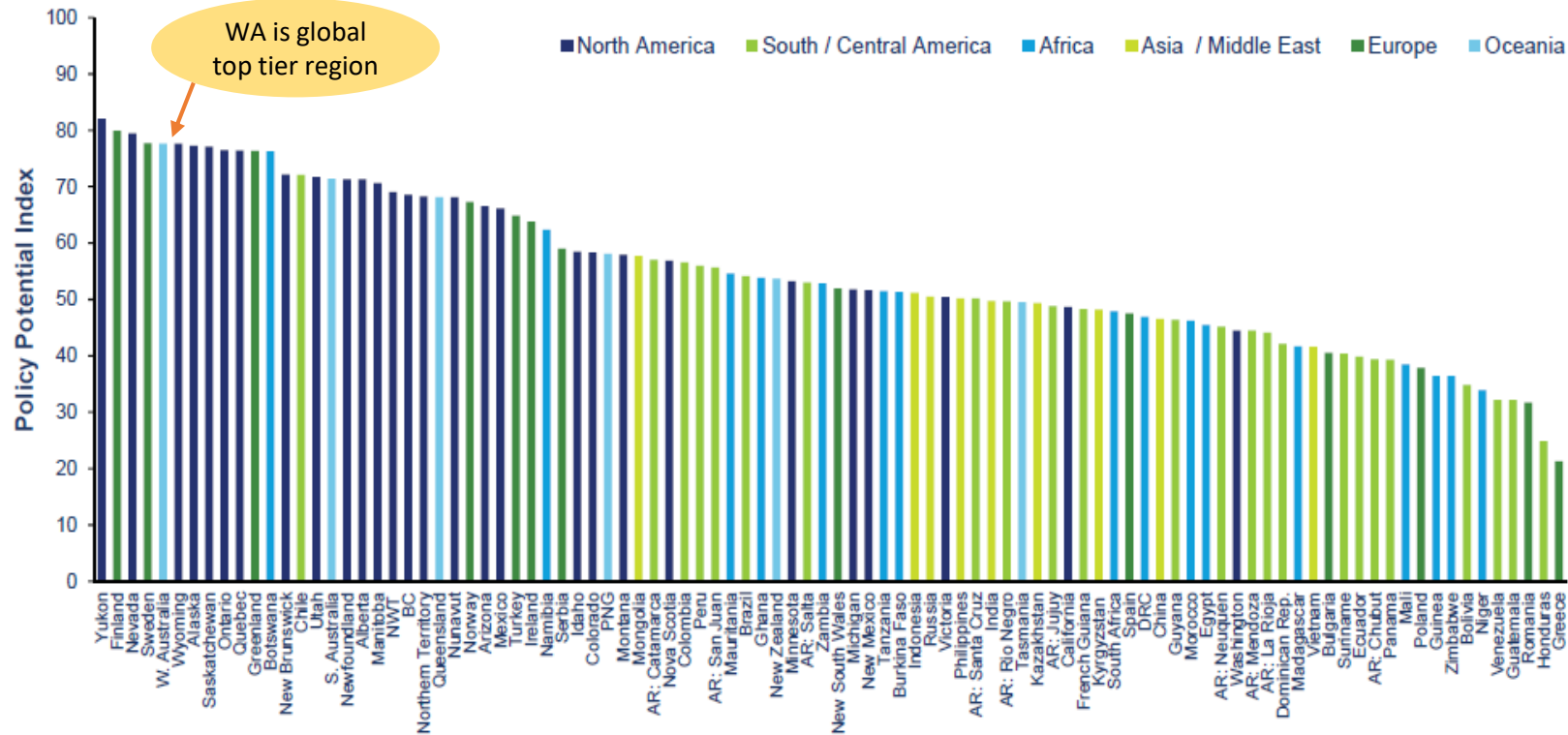


Source: Department of Industry and Science



Low Jurisdictional and Sovereign Risk

Fraser Institute Rankings (2013)

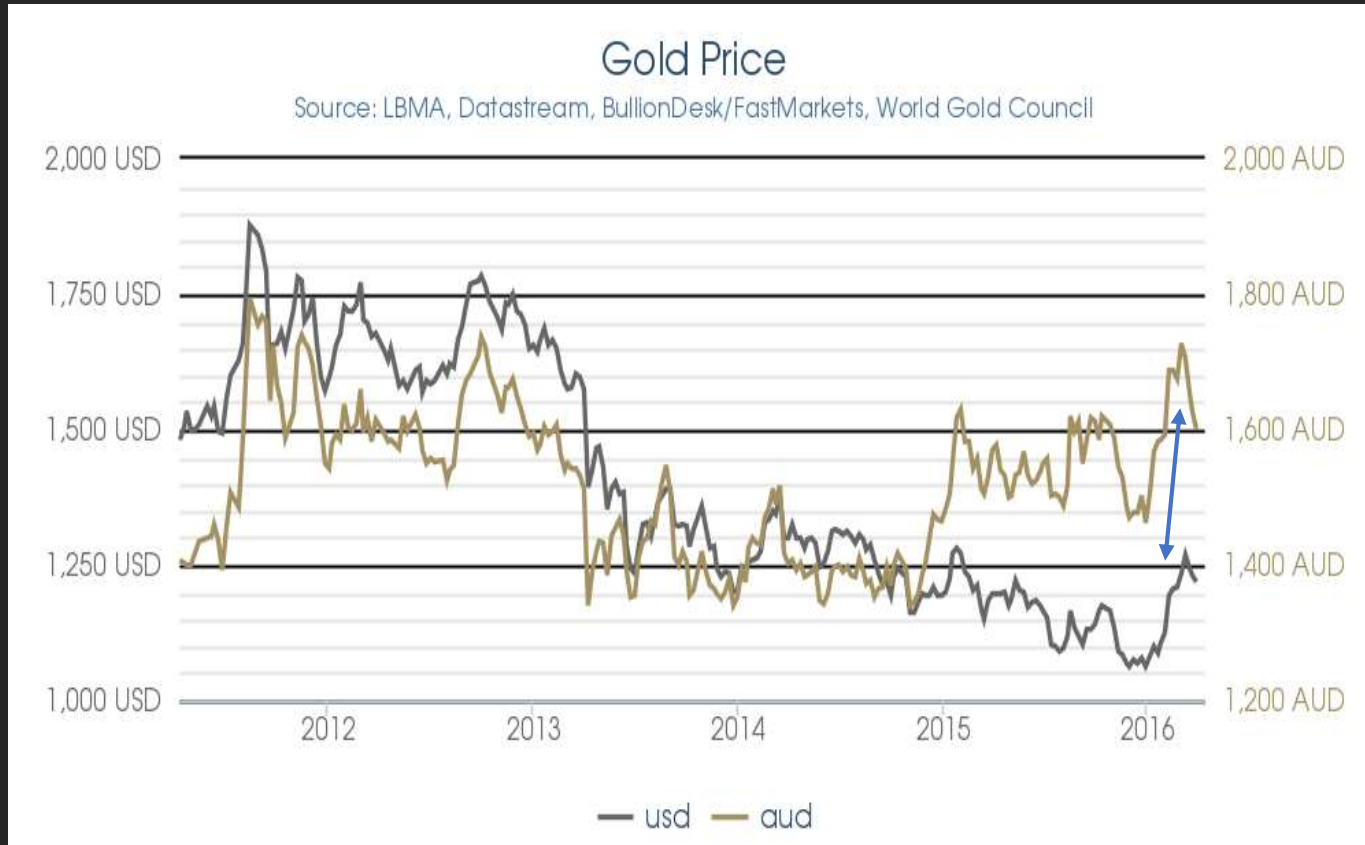


Source: Fraser Institute, Deloitte



Gold price in AUD-USD

The depreciation of the Australian Dollar against the USD since 2015 has provided the Australian gold sector with a windfall advantage that is expected to continue for some time.



Tenements and Strategy

TENEMENTS

- Each of the Company's tenements is considered prospective for gold mineralisation, and exists in known gold districts, often near critical infrastructure. Work programs to test the more prospective geology and advance the geological understanding of all projects have been designed and budgeted, in conjunction with the Company's consultants. The Company is actively capturing all the available digital data from previous work to optimise the planned exploration activities.
- Nelson's primary focus is the exploration and development of their mineral assets through systematic exploration across exploration targets. The assets range from advanced exploration tenements upon which substantial expenditure has already been incurred to grass roots assets.

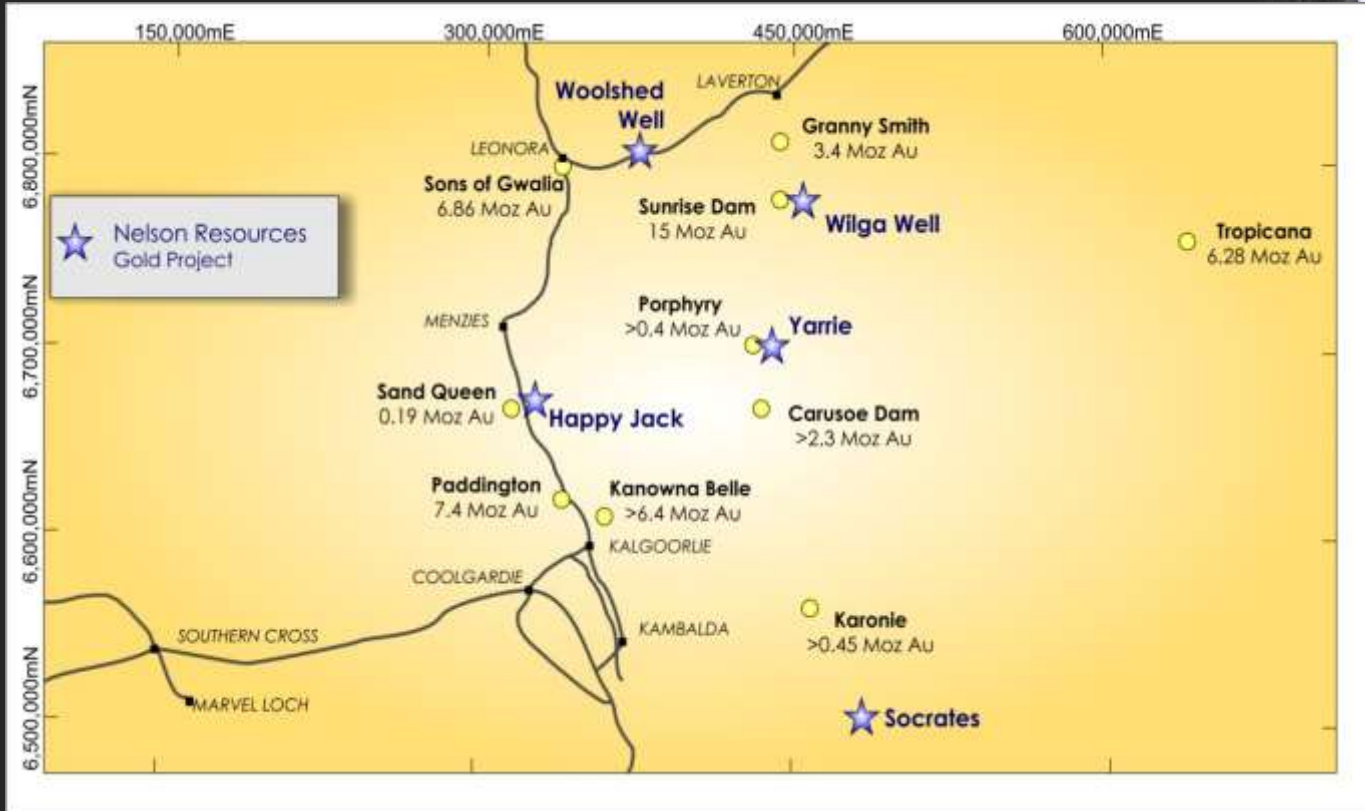
STRATEGY

The near term aim for Nelson is:

- To expand upon the drill indicated mineralisation available at Wilga and Yarrie to generate gold resources for near term cash flow via gate sale or toll processing;
- To re-evaluate and delineate economically significant gold mineralisation at Socrates; and
- Conduct a systematic exploration program to understand the potential of Woolshed Well and processing of the mineralised tailings at Happy Jack will be undertaken.



Projects Locations in WA

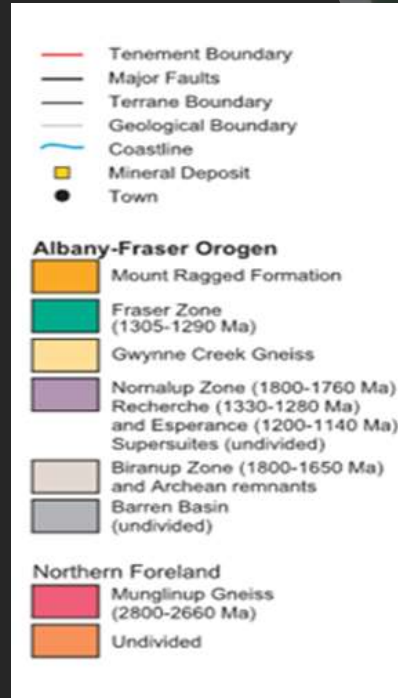
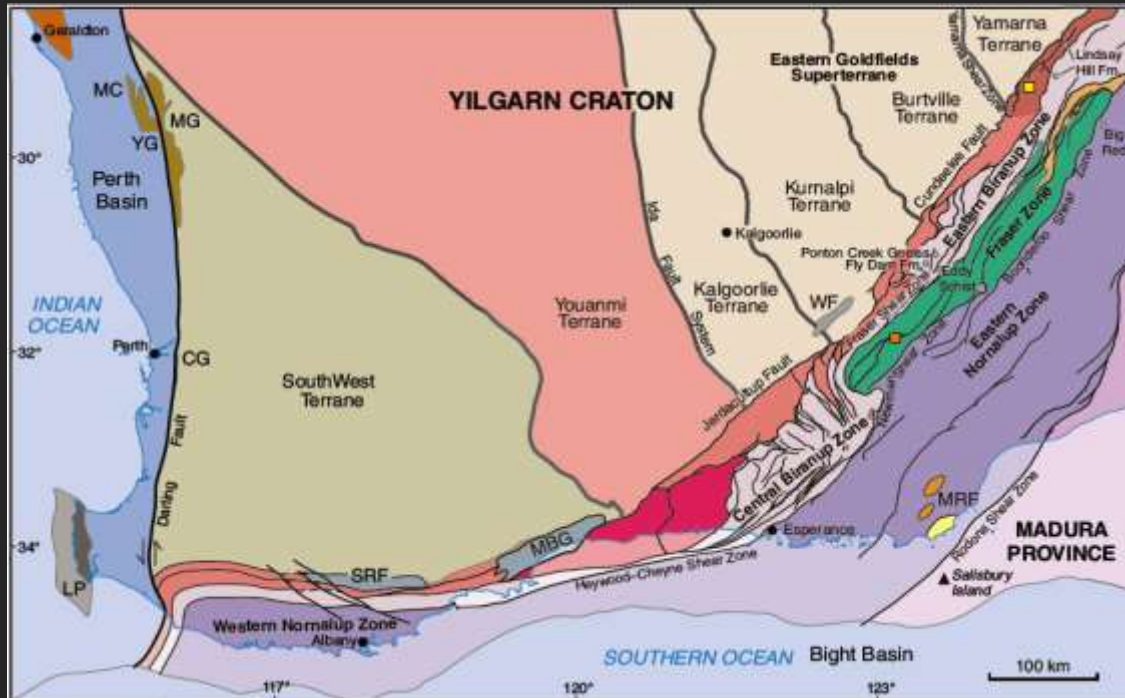


- The Socrates Gold Project lies 155km southeast of Kalgoorlie and 110km northeast of Norseman
- The Wilga Well Project lies 9 km east of AngloGold Ashanti's Sunrise Dam project;
- The Yarrie Project lies 30km north of Saracen Mineral's Carosue Dam Operations and 9km's west of their Red October haul road;
- The Woolshed Well Project lies 20 km east of Leonora; and,
- The Happy Jack Project lies 30 km south of Menzies, on Goldfields Highway and 60km's north of Norton Goldfield's Paddington Gold operations. Eastern Goldfields Limited's Davyhurst Operations lies 50km WSW.



Regional Setting in Eastern Goldfields of WA

The assets of Nelson Resource's all lie within the Eastern Goldfields Superterrane of the Yilgarn Craton in Western Australia. The Eastern Goldfields Superterrane ("EGST") contains substantial greenstone belts separated by granite and granitic gneiss. It is one of the most gold-endowed regions in the world, and forms as a complex mosaic of different tectono-metamorphic domains and terranes, including the Kalgoorlie, Kurnalpi, Burtville and Yamarna terranes (Figure: Cassidy et al., 2006; Pawley et al., 2012).



KEY TECTONIC ELEMENTS OF SOUTH WEST AUSTRALIA INCLUDING THE DISTRIBUTION OF TERRANES AND THE LITHOTECTONIC STRUCTURE OF THE ALBANY-FRASER OROGEN (KIRKLAND ET AL., 2014)

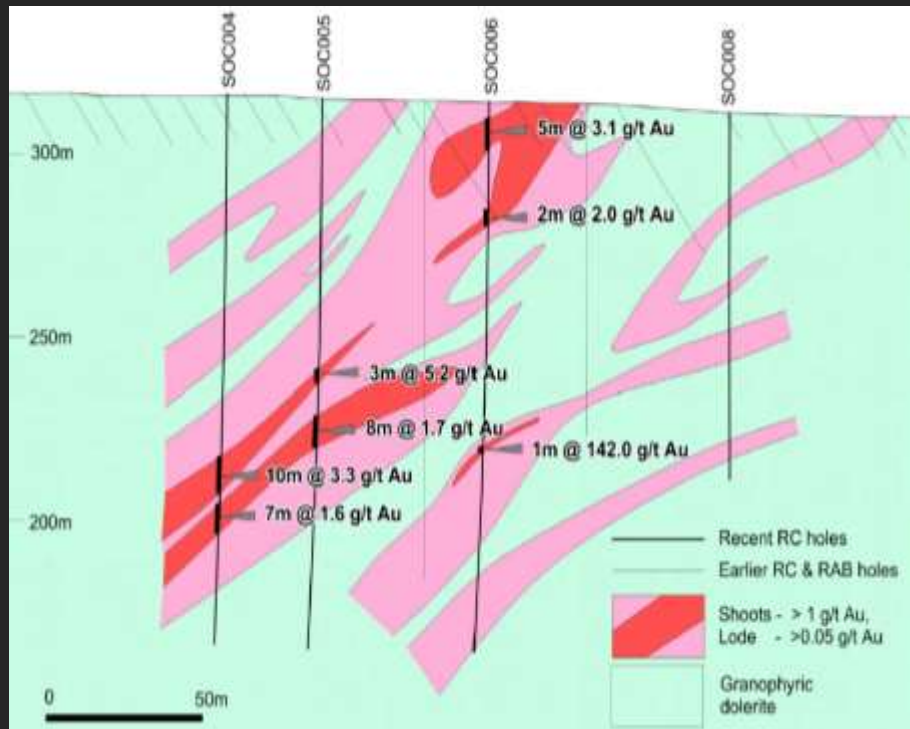
Exploration Budget

Location	Project	Minimum subscription (\$5m)		Over-subscription (\$7.5m)	
		Year 1	Year 2	Year 1	Year 2
Albany-Fraser	Socrates	350,000	650,000	525,000	975,000
	Wilga	155,000	300,000	232,500	450,000
Eastern Goldfields	Yarrie	210,000	525,000	315,000	787,500
	Woolshed Well	135,000	140,000	202,500	210,000
	Happy Jack	70,000	25,000	105,000	37,500
	Grand Total	920,000	1,640,000	1,380,000	2,460,000



Socrates Project

- Located 155km south-east of Kalgoorlie and 110km north-east of Norseman, total land area 12km²
- Outcropping mineralisation reported 10g/t Au within 2x1km Au soil anomaly

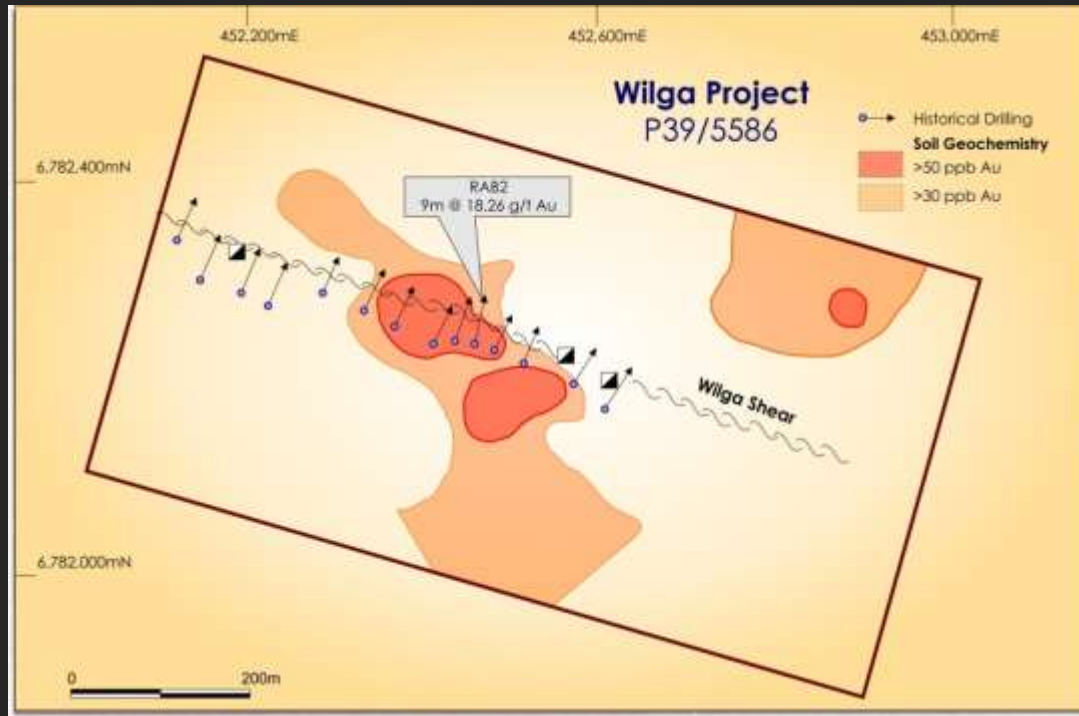


Multiple significant drill intercepts include:

- **24m @ 2.5g/t Au from 12m Inc. 9m @ 5.1g/t Au from 20m**
- **18m @ 3.35 g/t Au from 19m**
- **10m @ 3.01g/t Au from 99m**
- **4m @ 3.74g/t Au from 6m**
- **1m @ 86.7 g/t Au from 94m**
- **15m @ 1.82 g/t Au from 45m Inc. 5m @ 3.6 g/t Au**
- **14m @ 3.10 g/t Au from 10m**
- **9m @ 5.38 g/t Au from surface**

Wilga Project

- Located 9km East of AngloGold Ashanti's Sunrise Dam Gold Mine
- Historical production of 1,000t at >20g/t Au including 296t at 43g/t Au between 1899 and 1901. Subsequent 651t at 11.31 g/t Au between 1984 and 1994
- Costean sampling reported up to 103 g/t Au and rock chip sampling up to 13.5 g/t Au

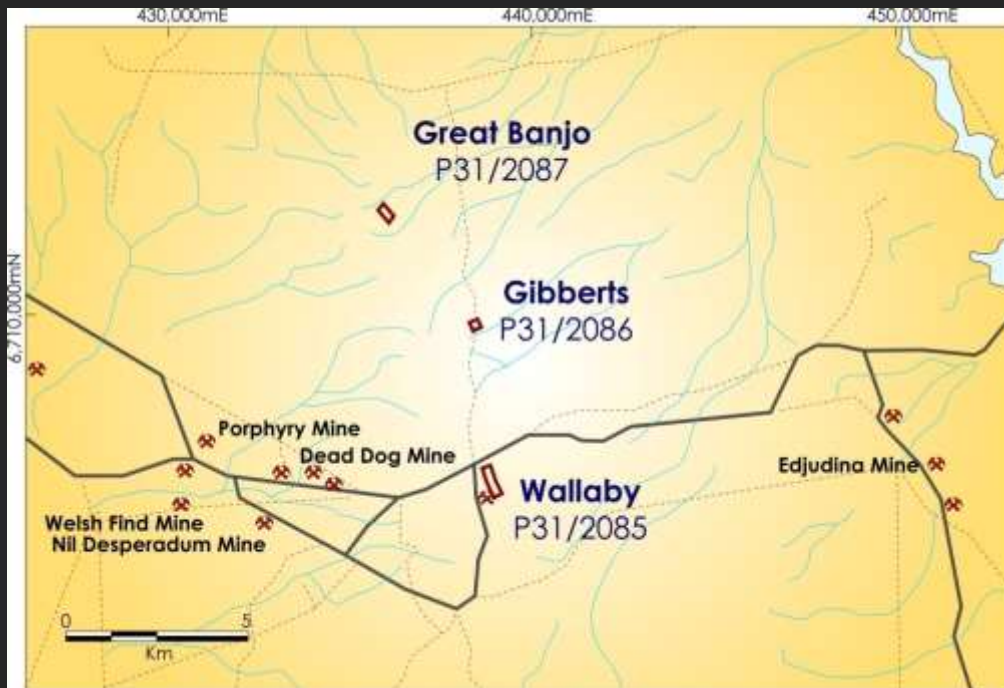


Significant drill intercepts included:

- **9m @ 18.26 g/t Au from 12m**
- **1m @ 17.6 g/t Au from 15m**
- **4m @ 4.07 g/t Au from 4m**
- **1m @ 10.7 g/t from 28m**

Yarrie Project

- Located 30km North of Saracen Minerals' Carosue Dam Gold Mine
- Multiple historical open cut and underground workings throughout Project. Wallaby North, Wallaby Central and Yarri Proprietary extend for 1,500m strike
- Documented historical production of 22,934t at 13.2 g/t Au for 9,726 oz Au

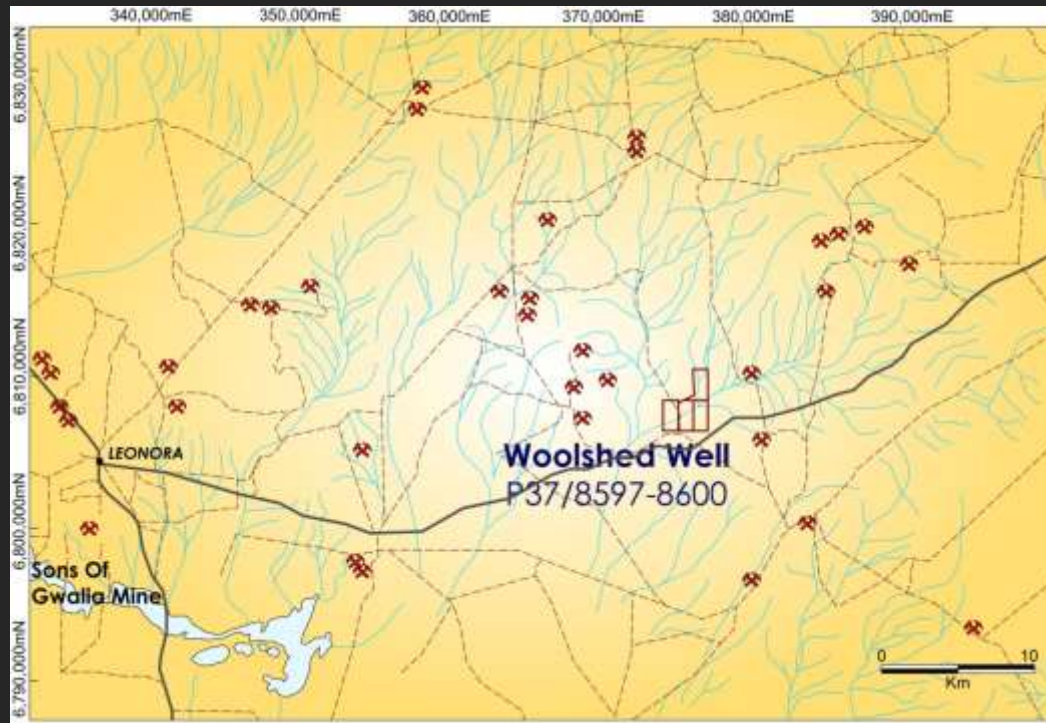


- Significant drill intercepts included:
 - 10m @ 5.86g/t Au from 8m
 - 4m @ 9.22 g/t Au from 10m
 - 1m @ 18.8g/t Au from 13m
 - 4m @ 4.25 g/t Au from 6m
 - 2m @ 6.94 g/t Au from 16m
 - 3m @ 8.79 g/t Au from 12m
 - 6m @ 3.58 g/t Au from 20m



Woolshed Well Project

- Located 20km east of Leonora
- Gossanous outcrops proximal to the Project have reported up to 2% Cu and 3% zinc
- Geophysical targeting underway



Happy Jack Project

- Located 30km south of Menzies, 60km north of Paddington Gold Mine, adjacent to Sand Queen Gold Mine with historical production of 248,564t at 22.7 g/t Au for 181,659 oz Au produced
- Small scale historical mining undertaken, tailings material on site



Board & Management Team

- **Adam Schofield**, Executive Director with over 20 years' experience in the resources sector in Australia and Africa. He is a mechanical engineer with significant experience in conducting feasibility studies and taking projects from feasibility stage into operations. He has extensive experience in Copper, Gold and Iron Ore.
- **Peter Cook**, Non-Executive Director MSc (Min. Econ) BSc (Appl Geol) MAusIMM. Chief Executive Officer of Metals X. Mr Cook is a highly experienced and successful mining company executive with many years' experience and in recent years has led Metals X into becoming a profitable producer of gold, tin, cobalt and copper.
- **Brett Clark**, Non-Executive Director with 25 years experience in the mining and energy sectors in funding, operations and advisory. His experience extends to the US and Asian capital markets, including bond markets, funds management and structured debt/equity/mezzanine transactions. Significant Board / Executive experience from project development to operations and sales and marketing in gold, copper, nickel, coal, iron ore and industrial minerals in listed and unlisted companies.
- **Mark Wallace**, Company Secretary holds a Bachelor of Business in Economics and Accounting and is a Certified Practicing Accountant with over 20 years of commercial experience. Mr Wallace has held senior executive positions with a range of ASX listed companies within the mining and engineering sector operating in Australia, Asia, Canada and Africa.
- **Tony Hamilton**, Mining Consultant holds a Bachelor Business Degree and is a Fellow of the Institute of Directors in London with over 30 years of extensive experience in international mining in the exploration and production of gold, diamonds, base metals and oil & gas.



Summary

- Focused exploration projects in proven gold district
- Good location and logistics
- Strong board and management team
- Australian gold sector economics are positive
- Cornerstone investor in place for 20% of raise (\$1M)
- Exploration program ready to be implement



Contact Details

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 - Spring Hill Qld 4000



Tenement Schedule

Tenement	Project	Holder	Granted	Expiry	Area	Units
ELA28/2633	Socrates	Peter Romeo Gianni			4	BL
P39/5586	Wilga	Peter Romeo Gianni	05/07/2016	04/07/2020	43.73	Ha
P31/2085	Yarri	Peter Romeo Gianni	31/05/2016	30/05/2020	19.4	Ha
P31/2086	Yarri	Peter Romeo Gianni	31/05/2016	30/05/2020	6.06	Ha
P31/2087	Yarri	Peter Romeo Gianni	31/05/2016	30/05/2020	9.71	Ha
P37/8597	Woolshed Well	Mongolian Resources	19/01/2016	18/01/2020	197	Ha
P37/8598	Woolshed Well	Mongolian Resources	19/01/2016	18/01/2020	200	Ha
P37/8599	Woolshed Well	Mongolian Resources	19/01/2016	18/01/2020	198	Ha
P37/8600	Woolshed Well	Mongolian Resources	19/01/2016	18/01/2020	200	Ha
P29/2217	Happy Jack	Peter Romeo Gianni	19/07/2012	18/07/2020	6	Ha

